

Rep. Peter Welch this week cosponsored legislation to fund job-creating infrastructure projects and reduce the deficit by taxing high-volume stock traders. The bill would ensure that top banks – six of which are planning to award bonuses exceeding \$162 billion this year – contribute to the nation's economic recovery.

The Let Wall Street Pay for the Restoration of Main Street Act (H.R. 4191), which is sponsored by 22 other members of the House, would raise \$150 billion – half of which would help pay down the deficit and half of which would be invested in a Job Creation Reserve to fund road, bridge, water and sewer projects. The tax on stock transactions, futures contracts and credit default swaps would reduce speculation by Wall Street firms while exempting investments made by middle class Americans.

"Wall Street mortgaged our nation's future with reckless deals and irresponsible behavior. As our economy struggles along, six top banks are preparing to award \$162 billion in bonuses," Welch said. "It's time to ask these firms to invest in job creation, deficit reduction and the restoration of our nation's economy."

Supported by a coalition of economists, consumer organizations and labor groups, H.R. 4191 assesses a small tax on the following securities transactions:

- Stock transactions at a rate of 0.25%
- Swaps, futures contracts and credit default swaps at a rate of .02%
- Options to buy stocks, swaps, futures or CDFs at the rate of the underlying financial instrument

In order to ensure that middle class Americans are not adversely affected by the bill, the tax would be refunded for:

- Tax-favored retirement accounts
- Education savings accounts
- Health savings accounts
- Mutual funds
- The first \$100,000 of transactions annually not already exempted

Endorsed by the House Populist Caucus, of which Welch is a member, H.R. 4191 is sponsored by Reps. Peter DeFazio, Michael Arcuri, Bruce Braley, Elijah Cummings, Lincoln Davis, Donna Edwards, Bob Filner, Raul Grijalva, Phil Hare, Alcee Hastings, Maurice Hinchey, Mazie Hirono, Henry Johnson, Steve Kagen, Marcy Kaptur, Ed Perlmutter, Thomas Perriello, Nick Rahall, Tim Ryan, John Sarbanes, Janice Schakowsky, Carol Shea-Porter, Louise Slaughter, Pete Fortney and Betty Sutton.